

HOME & CASTLE®

For Oil. For Natural Gas. For Value.

Fall 2005 A Newsletter brought to you by Castle Oil Corporation

DEAR VALUED CUSTOMER,

We recognize that you may be concerned about supplies of fuel oil in the aftermath of Hurricanes Katrina and Rita and their dramatic effect on worldwide energy markets. Please take some comfort in knowing that, unlike other local distributors, Castle's own terminals can store 33 million gallons of fuel oil. We are the largest independent fuel distributor in the New York metropolitan area.

Our two marine terminals and the expertise of our Supply and Marketing department guarantee our customers a reliable supply of fuel. Castle's highly experienced professionals buy energy from sources around the globe. They constantly monitor the markets. Their expert purchasing enables us to obtain the highest quality product at competitive prices.

Start preparing for winter now by taking a few simple energy conserving measures like installing weather stripping around windows and doors, improving your home's insulation, and installing a programmable thermostat. During cooler weather, close drapes at night to prevent heat loss and open them during the day to let the sun help warm your home. Ensure that furniture and carpeting are not obstructing air flow around heating units.

If you have noticed uneven heating throughout your home, a time lag between turning up the heat and actually feeling it, frequent breakdowns and service calls, or rising fuel consumption even though you turned down your thermostat, you should seriously consider installing new, state-of-the-art, fuel efficient heating equipment before the next season. There is still time to do it now. A new heating system can save you up to 15% on your annual fuel consumption — a great way to keep your costs under control. Call Customer Care today and ask to meet with one of our equipment specialists at your home. You'll receive a free heating system evaluation and a proposal showing how you might benefit from an investment in new equipment.

Thank you again for being a loyal Castle Customer — we appreciate your business!

Sincerely yours,

Carla Romita
Senior Vice President

AUTOMATIC DELIVERY

One of the most important service benefits we offer customers is automatic delivery. Using a computerized system, we calculate when you will need more oil. Then we schedule a delivery for you, show up, and fill your tank. You don't have to call us. We use a "K factor" to



calculate automatic deliveries. The K factor weighs variables like your house size and past oil usage. So if you have had changes — a new family member, children leaving for college, a construction project in progress, an addition on your home — let us know. These changes will affect your use of heat and hot water. If you would like to enroll on automatic delivery, contact our Customer Care Center at 333-2400.

BUDGET PLAN

Castle offers a Budget Plan program for customers that enables you to make direct payments for fuel oil and service throughout the year. You get to spread the payments over 12 months avoiding having to make higher payments in the colder months when you use more oil. We take the planned amount out of your checking account monthly saving you the time and expense of writing checks and mailing them. For more information, or to sign up for the budget plan and direct payment, call one of our customer service representatives at 333-2400.

OIL TANK PROTECTION PLAN

Many people understand that pollution is a major problem in today's world. If you purchased or sold a home recently, this point may have been driven home by questions about the oil tank, its condition, and potential liability. Castle offers a program to help relieve any concerns you may have about your oil tank. While most tanks are quite secure and leaks are infrequent, you may be uncertain about the condition of an older tank. ProGuard, an independent insurance provider, covers up to \$100,000 for clean up of oil when it is accidentally released from your tank. And the coverage can even be transferred when you sell your house. ProGuard also pays up to \$2,000 for repairs or replacement of damaged tanks. This plan requires a tank test and is available only for customers who have automatic delivery. If your tank is old, or if you simply want one less thing to worry about, call Customer Care at 333-2400.

THIRD PARTY NOTIFICATION

Castle is especially concerned about our customers who are elderly, handicapped or living alone and we will take extra measures to help them if necessary. If this applies to you, we invite you to participate in our Third Party Notification Program. When you are enrolled, we notify a person you choose in the event that we cannot reach you to discuss a matter that could result in an interruption of your deliveries or service. The person you choose (who is not financially obligated) may be a relative, friend, neighbor, church or civic group, or social services agency. This third party helps to contact you to arrange payment and avoid a service interruption.

THIRD PARTY NOTIFICATION FORM

If you, or someone you know, would like to join the Castle 3rd party notification program, please complete the form below and mail it to Castle.

Your Name: _____

Address: _____

Telephone: _____

Date: _____

Signature: _____

Third Party name: _____

Address: _____

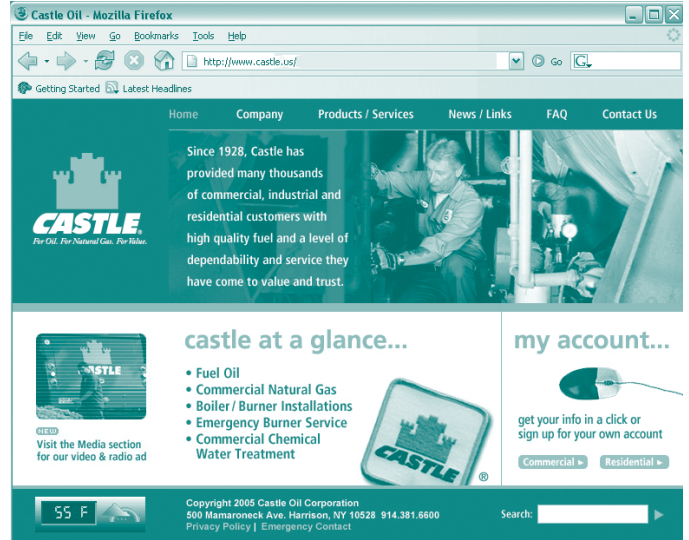
Telephone: _____

Date: _____

Their signature: _____

CASTLE UPDATES CUSTOMER WEBSITE

This month, Castle relaunches its website, www.castle.us, with more valuable information and features for current and prospective customers. Check out the site today to view the following new features.



- ▶ 3 minute promotional video
- ▶ Radio commercial
- ▶ Updated FAQ pages
- ▶ New account application form
- ▶ Easy to navigate drop down menus
- ▶ Updated search engine feature

An important benefit of the website is that Castle customers can access their current account information, day or night, all year round. Current customers can view complete terms and conditions of their automatic delivery, budget or service plan by clicking on the residential link within the "My Account" section of the website.

Castle also posts important company information and promotional programs for current customers within the password-protected section of the website. Your account number is printed on each Castle invoice and you establish your own unique password for access to the customer extranet.

If you have any questions or difficulties accessing the Castle website, contact Customer Care at 333-2400.



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